



STATE BOARD OF EQUALIZATION

N STREET, SACRAMENTO, CALIFORNIA  
BOX 1799, SACRAMENTO, CALIFORNIA 95808)

(916) 445-4982

WILLIAM M. BENNETT  
First District, Kentfield

CONWAY H. COLLIS  
Second District, Los Angeles

ERNEST J. DRONENBURG, JR.  
Third District, San Diego

RICHARD NEVINS  
Fourth District, Pasadena

KENNETH CORY  
Controller, Sacramento

DOUGLAS D. BELL  
Executive Secretary

No. 86/32

March 31, 1986

TO COUNTY ASSESSORS:

SUPPLEMENTAL ASSESSMENT OF REMOVED FIXTURES IN 1986

Chapter 441 of the Statutes of 1985 (Assembly Bill 467), an urgency statute in effect July 31, 1985, provides in part that for supplemental assessment purposes the value of removed fixtures shall be included in any computation of fixture value whether or not the removal is associated with new construction.

The law amends Sections 51, 75.10, 75.70, 20505 and adds Section 75.16 to the Revenue and Taxation Code. The new Section, 75.16, affects the computation of fixture values. This section reads as follows:

"For the purpose of computing the value of the fixtures added to and subtracted from real property pursuant to Section 75.15, the value of a removed fixture shall be included in the computation, whether or not the removal is associated with other new construction."

This section deals with fixtures that are removed but not associated with new construction; the handling of removals/deletions associated with new construction were explained in county assessors' letter no. 85/25 dated February 20, 1985.

Section 75.16 is not retroactive; therefore, the recommended principles and procedures spelled out in county assessors' letter no. 85/24 for enrolling fixtures which were reported on the 1985 property statements still apply.

The Board's legal staff advises that Section 75.16 applies to fixtures removed on, or after, March 1, 1985. Pursuant to Sections 75.15 and 75.16, fixture removals reported for March 1, 1985 to February 28, 1986 will have their values considered as a negative amount, credit, when computing any supplemental assessment to be enrolled. If only fixture removals are reported, the taxpayer would get a refund but only if the taxes had been previously paid, otherwise they become negative values that can offset positive values.

TO COUNTY ASSESSORS

-2-

Some instructions in county assessors' letter no. 85/24 regarding fixture removals are not applicable when calculating 1986 supplemental roll assessments, i.e., removals not associated with new construction. In addition, the supplemental instructions to taxpayers for filing AH 571D in 1986 will need revision to reflect current law.

Fixtures are deemed to be removed when they are severed from realty, i.e., becomes personal property. The date of removal to be reported on AH 571D, the supplemental schedule for reporting monthly acquisitions and disposals of property, is the date on which the fixture is severed.

If you have any questions on the foregoing, please contact David Lucero in our Business Technical Services Section; the telephone number is (916) 445-4982.

Sincerely,



Verne Walton, Chief  
Assessment Standards Division

VW:wpc  
AL-04D-3050A